

House File 2469

H-8320

1 Amend House File 2469 as follows:

2 1. By striking everything after the enacting clause
3 and inserting:

4 <Section 1. Section 99D.2, subsection 9, Code 2014,
5 is amended to read as follows:

6 9. "*Racetrack enclosure*" means all real property
7 utilized for the conduct of a race meeting, including
8 the racetrack, grandstand, concession stands, offices,
9 barns, kennels and barn areas, employee housing
10 facilities, parking lots, and any additional areas
11 designated by the commission. "*Racetrack enclosure*"
12 also means all real property utilized by a licensee
13 under this chapter who is not required to conduct
14 live racing pursuant to the requirements of section
15 99D.9A, on which pari-mutuel wagering on simultaneously
16 telecast horse or dog races may be conducted and lawful
17 gambling is authorized and licensed as provided in this
18 chapter and chapter 99F.

19 **Sec. 2. NEW SECTION. 99D.9A Dog racetrack**
20 **licensure — discontinuance of live racing requirement**
21 **— fees.**

22 1. Upon written notification to the commission by
23 September 1, 2014, and agreement to comply with the
24 requirements of this section, a licensee authorized to
25 conduct pari-mutuel wagering at a dog racetrack and to
26 conduct gambling games pursuant to section 99F.6 as of
27 January 1, 2014, may, as of the live racing cessation
28 date, continue to maintain a license as provided
29 in this section for purposes of conducting gambling
30 games and pari-mutuel wagering on simultaneously
31 telecast horse or dog races without the requirement
32 of scheduling performances of live races at the dog
33 racetrack. For purposes of this section, the "live
34 racing cessation date" is October 31, 2014, for the
35 licensee of the pari-mutuel dog racetrack located
36 in Dubuque county, and December 31, 2015, for the
37 licensee of the pari-mutuel dog racetrack located in
38 Pottawattamie county.

39 2. Upon the live racing cessation date of a
40 licensee, all of the following shall occur:

41 a. The commission shall determine what portion
42 of the unexpended moneys in the dog racing promotion
43 fund created in section 99D.12 is attributable to the
44 licensee as of the live racing cessation date of the
45 licensee and shall transfer those moneys to the Iowa
46 greyhound pari-mutuel racing fund created in section
47 99D.9B.

48 b. Any agreement which was approved by the
49 commission for dog purse supplement payments for live
50 racing by the licensee shall be terminated.

HF2469.4290 (1) 85

(amending this HF 2469

to CONFORM to SF 2362)

1 c. Within thirty days after the live racing
2 cessation date of the licensee of the pari-mutuel dog
3 racetrack located in Pottawattamie county, the kennel
4 owners and operators and greyhound owners shall, at
5 their expense, remove all of their property including
6 the greyhounds from the racetrack.

7 3. a. To maintain a license under this chapter
8 to conduct gambling games and pari-mutuel wagering on
9 simultaneously telecast horse or dog races without the
10 requirement of scheduling performances of live dog
11 races, or to maintain a license under section 99F.4A,
12 subsection 9, the licensee as of the date a payment
13 under this subsection is due shall ensure payment
14 of the live racing cessation fee to the commission
15 for deposit in the Iowa greyhound pari-mutuel racing
16 fund created in section 99D.9B, as required by this
17 subsection.

18 b. Except as provided in paragraph "c", the live
19 racing cessation fee shall be paid and determined as
20 follows:

21 (1) For the licensee authorized to conduct gambling
22 games in Dubuque county pursuant to a license issued
23 pursuant to section 99F.4A, subsection 9, the payment
24 of one million dollars by January 1, 2015, and one
25 million dollars each succeeding January 1 for six
26 consecutive calendar years.

27 (2) For the pari-mutuel dog racetrack located in
28 Pottawattamie county, the payment of nine million two
29 hundred eighty-five thousand eight hundred dollars
30 by January 1, 2016, and nine million two hundred
31 eighty-five thousand seven hundred dollars each
32 succeeding January 1 for six consecutive calendar
33 years. Payments required under this subparagraph shall
34 be made by the manager of the pari-mutuel racetrack
35 located in Pottawattamie county for deposit in the Iowa
36 greyhound pari-mutuel racing fund created in section
37 99D.9B, as required by this subsection.

38 c. (1) If the licensee at the pari-mutuel
39 racetrack located in Pottawattamie county as of
40 January 1, 2014, fails to have the licensee's license
41 renewed, the licensee's obligation and any obligation
42 of the manager of the racetrack to make any further
43 payments as provided in this subsection shall cease.
44 However, the commission shall not issue a license to
45 a subsequent or successor licensee at the pari-mutuel
46 racetrack located in Pottawattamie county until all
47 remaining unpaid installments of the live racing
48 cessation fee required under this subsection are paid.

49 (2) If the licensee issued a license under section
50 99F.4A, subsection 9, fails to have the license

HF2469.4290 (1) 85
(amending this HF 2469
to CONFORM to SF 2362)

1 renewed, the licensee's obligation to make any further
2 payments as provided in this subsection shall cease.
3 However, the commission shall not issue a license
4 to a subsequent or successor licensee under section
5 99F.4A, subsection 9, until all remaining installments
6 of the live racing cessation fee required under this
7 subsection are paid.

8 (3) If the manager of the pari-mutuel racetrack
9 located in Pottawattamie county as of January 1,
10 2014, pursuant to a management contract with the
11 licensee, ceases to be the manager of the racetrack,
12 the licensee's obligation and any obligation of the
13 manager of the racetrack to make any further payments
14 as provided in this subsection shall cease. However,
15 the commission shall not approve a management contract
16 with the licensee for a subsequent or successor manager
17 until all remaining installments of the live racing
18 cessation fee required under this subsection are paid.

19 4. Upon written notification to the commission by
20 the licensee of the pari-mutuel dog racetrack located
21 in Dubuque county as provided in subsection 1, all of
22 the following shall occur:

23 a. The licensee shall be authorized to maintain a
24 license issued to the licensee by the commission to
25 conduct gambling games pursuant to the requirements of
26 section 99F.4A, subsection 9.

27 b. The licensee shall maintain a license under this
28 chapter until December 31, 2014. The licensee shall,
29 until the live racing cessation date of the licensee,
30 conduct pari-mutuel wagering on live dog races and
31 shall, until December 31, 2014, be authorized to
32 simultaneously telecast horse or dog races as provided
33 by an agreement to conduct live racing during the 2014
34 calendar year.

35 5. a. The licensee of the pari-mutuel dog
36 racetrack located in Pottawattamie county who is
37 not required to conduct live racing pursuant to the
38 requirements of this section shall do all of the
39 following:

40 (1) Remain licensed under this chapter and pursuant
41 to section 99F.4A as a pari-mutuel dog racetrack
42 licensed to conduct gambling games and pari-mutuel
43 wagering on simultaneously telecast horse or dog races.

44 (2) Continue to pay the annual license fee and
45 regulatory fee as a pari-mutuel dog racetrack licensed
46 to conduct gambling games pursuant to the requirements
47 of section 99F.4A.

48 (3) Comply with all other applicable requirements
49 of this chapter and chapter 99F except for those
50 requirements concerning live dog racing.

HF2469.4290 (1) 85
(amending this HF 2469
to CONFORM to SF 2362)

1 *b.* However, nothing in this chapter shall require
2 the licensee of the pari-mutuel dog racetrack in
3 Pottawattamie county to conduct pari-mutuel wagering
4 on simultaneously telecast horse or dog races to
5 remain licensed under this chapter or to conduct
6 gambling games without the requirement of scheduling
7 performances of live dog races.

8 6. *a.* Compliance with the requirements of this
9 section and the establishment of the Iowa greyhound
10 pari-mutuel racing fund in section 99D.9B shall
11 constitute a full satisfaction of and discharge from
12 any and all liability or potential liability of a
13 licensee authorized to conduct gambling games in
14 Dubuque county pursuant to section 99F.4A, subsection
15 9, the licensee of the pari-mutuel dog racetrack
16 located in Pottawattamie county, and the Iowa greyhound
17 association which may arise out of either of the
18 following:

19 (1) The discontinuance of live dog racing or
20 simulcasting.

21 (2) Distributions made or not made from the
22 Iowa greyhound pari-mutuel racing fund created in
23 section 99D.9B or the purse escrow fund created in
24 the arbitration decision issued in December 1995 with
25 regard to the purse supplements to be paid at the
26 pari-mutuel dog racetrack in Pottawattamie county.

27 *b.* Compliance with the requirements of this section
28 and establishment of the Iowa greyhound pari-mutuel
29 racing fund in section 99D.9B shall immunize a licensee
30 authorized to conduct gambling games in Dubuque county
31 pursuant to a license issued pursuant to section
32 99F.4A, subsection 9, the licensee of the pari-mutuel
33 dog racetrack located in Pottawattamie county, and
34 the Iowa greyhound association and their respective
35 officers, directors, employees, board members, and
36 agents against claims of liability as described in
37 paragraph "a" made by any person or entity.

38 Sec. 3. NEW SECTION. 99D.9B Iowa greyhound
39 pari-mutuel racing fund.

40 1. An Iowa greyhound pari-mutuel racing fund is
41 created in the state treasury under the control of the
42 racing and gaming commission.

43 2. The fund shall consist of all of the following:

44 *a.* Moneys in the dog racing promotion fund created
45 in section 99D.12 that were deposited in the fund from
46 a dog racetrack licensee that is no longer required to
47 conduct live dog races pursuant to section 99D.9A.

48 *b.* Moneys deposited in the fund from the live
49 racing cessation fee established in section 99D.9A.

50 3. *a.* Fifty percent of the moneys deposited

HF2469.4290 (1) 85
(amending this HF 2469
to CONFORM to SF 2362)

1 in the fund shall first be distributed to the Iowa
2 greyhound association for deposit in the escrow account
3 established by the Iowa greyhound association pursuant
4 to the requirements of section 99D.9C, provided the
5 Iowa greyhound association is licensed under this
6 chapter to conduct pari-mutuel wagering on live dog
7 races or simultaneously telecast horse or dog races
8 pursuant to the requirements of section 99D.9C, by
9 December 15, 2014.

10 *b.* Moneys remaining in the fund following
11 distribution to the Iowa greyhound association as
12 provided in this subsection shall be under the sole
13 control of the commission. The commission shall
14 determine the method by which moneys remaining in the
15 fund will be distributed provided, however, that the
16 commission shall distribute a portion of the moneys
17 in the fund to no-kill animal adoption agencies to
18 facilitate care for and adoption of greyhounds no
19 longer racing as a result of the discontinuance of
20 live racing. The commission may consider objective
21 evidence, including purse payments to greyhound
22 industry participants for the period beginning January
23 1, 2010, and ending December 31, 2014, in determining
24 the method of distribution. The commission may hire an
25 expert to assist in the task of making distributions
26 from the fund. The commission may distribute moneys
27 from the fund to greyhound industry participants and
28 to kennel owners and operators and greyhound owners
29 for costs incurred in removing property from the dog
30 racetrack located in Pottawattamie county as required
31 by section 99D.9A, subsection 2, paragraph "c".
32 Prior to adoption of any formula for distribution,
33 the commission shall allow for input from greyhound
34 industry participants. The distribution decisions of
35 the commission shall be final. The commission may
36 use moneys in the fund to pay its direct and indirect
37 administrative expenses incurred in administering the
38 fund, including the hiring of experts to assist in
39 the commission's distribution determination. Members
40 of the commission, employees of the commission, and
41 any experts hired by the commission pursuant to this
42 section shall be held harmless against any claim
43 of liability made by any person arising out of the
44 distribution of moneys from the fund by the commission.

45 4. Section 8.33 does not apply to moneys in the
46 fund. Notwithstanding section 12C.7, subsection 2,
47 interest or earnings on moneys deposited in the fund
48 shall be credited to the fund.

49 5. The commission shall adopt rules to administer
50 this section.

HF2469.4290 (1) 85
(amending this HF 2469
to CONFORM to SF 2362)

1 Sec. 4. NEW SECTION. 99D.9C Alternative dog
2 racetrack and simulcasting licensure — live racing —
3 lease agreement with gambling games licensee.

4 1. *a.* The Iowa greyhound association may submit
5 an application to the commission for a license under
6 this chapter to conduct pari-mutuel wagering on live
7 dog races or simultaneously telecast horse or dog
8 races, subject to the requirements of this section.
9 Unless inconsistent with the requirements of this
10 section, the Iowa greyhound association shall comply
11 with all requirements for submitting an application
12 for a license under this chapter. If an application
13 is submitted by October 1, 2014, the commission shall,
14 subject to the requirements of section 99D.9 and this
15 section, determine whether to approve the application
16 for a license by December 1, 2014.

17 *b.* If the commission approves an application for
18 a license submitted by the Iowa greyhound association
19 pursuant to section 99D.9 and this section, the terms
20 and conditions of the license shall, notwithstanding
21 any provision of law to the contrary, authorize the
22 licensee to conduct pari-mutuel wagering on live
23 dog races or simultaneously telecast horse or dog
24 races conducted at a racetrack enclosure located in
25 Dubuque county subject to the requirements of a lease
26 agreement entered into pursuant to the requirements
27 of this section. The terms and conditions of the
28 license shall also authorize the licensee to conduct
29 pari-mutuel wagering on simultaneously telecast horse
30 or dog races at the facility of a licensee authorized
31 to conduct gambling games under chapter 99F pursuant
32 to an agreement with the licensee of that facility
33 as authorized by this section. A licensee issued a
34 license pursuant to this section shall comply with all
35 requirements of this chapter applicable to licensees
36 unless otherwise inconsistent with the provisions of
37 this section.

38 2. *a.* The Iowa greyhound association shall
39 establish an escrow fund under its control for the
40 receipt and deposit of moneys transferred to the Iowa
41 greyhound association pursuant to section 99D.9B. The
42 Iowa greyhound association shall use moneys in the
43 escrow fund to pay all reasonable and necessary costs
44 and fees associated with conducting live racing and
45 pari-mutuel wagering on simultaneously telecast horse
46 or dog races, including but not limited to regulatory
47 and administrative fees, capital improvements, purse
48 supplements, operational costs, obligations pursuant
49 to any purse supplement agreement as amended and
50 approved by the commission, payment of rents for

HF2469.4290 (1) 85
(amending this HF 2469
to CONFORM to SF 2362)

1 leased facilities and costs of maintenance of leased
2 facilities, payment for products and services provided
3 by the licensee authorized to conduct gambling games in
4 Dubuque county pursuant to section 99F.4A, subsection
5 9, costs to maintain the license, costs for posting a
6 bond as required by section 99D.10, and administrative
7 costs and fees incurred in connection with the pursuit
8 of the continuation of live greyhound racing.

9 *b.* However, if the Iowa greyhound association is
10 not licensed to conduct pari-mutuel wagering on live
11 dog races or simultaneously telecast horse or dog
12 races subject to the requirements of this section or
13 fails to conduct live dog racing during any calendar
14 year beginning on or after January 1, 2015, the Iowa
15 greyhound association shall transfer any unused moneys
16 in the escrow fund to the commission for deposit in
17 the Iowa greyhound pari-mutuel racing fund created
18 in section 99D.9B and shall receive no further
19 distributions from the fund created in section 99D.9B.
20 The commission shall require that an annual audit be
21 conducted and submitted to the commission, in a manner
22 determined by the commission, concerning the operation
23 of the escrow fund.

24 3. *a.* A license issued pursuant to this section
25 shall authorize the licensee to enter into an agreement
26 with any licensee authorized to operate an excursion
27 gambling boat or gambling structure under chapter
28 99F to conduct, without the requirement to conduct
29 live horse or dog races at the facility, pari-mutuel
30 wagering on simultaneously telecast horse or dog races
31 at the facility of the licensee authorized to operate
32 an excursion gambling boat or gambling structure under
33 chapter 99F.

34 *b.* If a lease agreement entered into with the city
35 of Dubuque pursuant to this section is terminated or
36 is not renewed or extended, the licensee authorized to
37 conduct gambling games in Dubuque county pursuant to a
38 license issued pursuant to section 99F.4A, subsection
39 9, shall be authorized to enter into an agreement with
40 a licensee issued a license pursuant to this section to
41 conduct pari-mutuel wagering on simultaneously telecast
42 horse or dog races at the facility of the licensee as
43 provided by this subsection.

44 *c.* If the Iowa greyhound association is licensed
45 as provided in this section and ceases to conduct live
46 dog racing, all revenue generated from an agreement
47 to simultaneously telecast horse or dog races as
48 authorized by this subsection shall be used solely for
49 the purpose of supplementing Iowa-whelped dogs racing
50 at out-of-state facilities.

HF2469.4290 (1) 85
(amending this HF 2469
to CONFORM to SF 2362)

1 4. a. Upon written request by the Iowa greyhound
2 association to the city of Dubuque by July 8, 2014,
3 the city of Dubuque shall be authorized to enter into
4 an initial five-year lease agreement with a single
5 option to renew the lease for an additional five years
6 with the Iowa greyhound association beginning January
7 1, 2015, to permit the Iowa greyhound association to
8 conduct pari-mutuel wagering on live dog races and
9 simultaneously telecast horse or dog races at the
10 dog racetrack located in Dubuque county. The lease
11 agreement shall be contingent upon the Iowa greyhound
12 association obtaining a license pursuant to the
13 requirements of this section.

14 b. The lease agreement shall provide for the
15 following:

16 (1) An annual lease payment of one dollar during
17 the initial five-year lease for the racetrack
18 enclosure, which includes the racetrack, kennels,
19 grandstand, and space for a new simulcast facility, and
20 one five-year renewal of the lease agreement at a fair
21 market rental rate.

22 (2) Employees at the racetrack enclosure involved
23 in pari-mutuel wagering as of the live racing cessation
24 date, as provided in section 99D.9A, shall be offered
25 employment by the Iowa greyhound association at the
26 racetrack.

27 (3) Existing collective bargaining agreements
28 concerning employees at the racetrack shall be honored.

29 (4) Live dog racing requirements. The requirements
30 shall provide that the Iowa greyhound association
31 conduct, for calendar year 2015, no fewer than
32 sixty live race days with nine live races per day
33 during the racing season, and for calendar year 2016
34 and subsequent calendar years covered by the lease
35 agreement, no fewer than ninety-five live race days
36 with nine live races per day during each racing season.
37 However, upon mutual agreement by the parties subject
38 to approval by the commission, the number of race days
39 for one or more live racing seasons may be reduced
40 so long as the Iowa greyhound association conducts a
41 minimum number of live races and racing days during
42 that season.

43 (5) Termination provisions, to include termination
44 of the agreement on January 1 of the year following the
45 calendar year in which live dog racing as required by
46 the agreement was not conducted by the Iowa greyhound
47 association.

48 (6) Terms concerning contracts entered into for
49 the conduct of pari-mutuel wagering at the racetrack
50 prior to the live racing cessation date, as provided in

HF2469.4290 (1) 85

(amending this HF 2469

to CONFORM to SF 2362)

1 section 99D.9A, at the racetrack.

2 (7) Any other related items concerning the conduct
3 of pari-mutuel wagering at the dog racetrack and the
4 operation of the dog racetrack facility.

5 c. (1) If the parties are unable to reach
6 agreement on any of the terms of the initial lease
7 agreement by October 1, 2014, or to reach agreement on
8 the fair market rental rate for purposes of the one
9 five-year lease renewal by June 30, 2018, if the Iowa
10 greyhound association requests arbitration concerning
11 the renewal by June 18, 2018, the disputed terms of the
12 lease shall be determined by binding arbitration in
13 accordance with the rules of the American arbitration
14 association as of the date for arbitration. A request
15 for arbitration shall be in writing and a copy of the
16 request shall be delivered to the other party. The
17 parties shall each select one arbitrator and the two
18 arbitrators shall choose a third arbitrator to complete
19 the three-person arbitration panel. Each party shall
20 deliver its final offer on each of the disputed items
21 to the other party within fourteen days after the
22 request for arbitration. After consultation with the
23 parties, the arbitrators shall set a time and place for
24 an arbitration hearing. The parties may continue to
25 negotiate all offers until an agreement is reached or a
26 decision is rendered by the arbitrators. For purposes
27 of determining the fair market rental rate for purposes
28 of the one five-year lease renewal, either party may
29 argue, and present arguments and evidence, that the
30 renewal lease rental rate should be based upon the
31 market value of similarly situated undeveloped land, or
32 upon its use as a greyhound track. The submission of
33 the disputed items to the arbitrators shall be limited
34 to those items upon which the parties have not reached
35 agreement. However, the arbitrators shall have no
36 authority to extend the term of the lease agreement
37 beyond the initial five-year term or the one five-year
38 renewal.

39 (2) The arbitrators shall render a decision within
40 fifteen days after the hearing. The arbitrators shall
41 give written explanation for the decision and the
42 decision of the arbitrators shall be final and binding
43 on the parties, and any decision of the arbitrators may
44 be entered in any court having competent jurisdiction.
45 The decision by the arbitrators and the items agreed
46 upon by the parties shall be deemed to be the lease
47 agreement between the parties and such final lease
48 agreement shall not be subject to the approval of
49 the governing body of the city of Dubuque, the Iowa
50 greyhound association, the commission, or any other

HF2469.4290 (1) 85

(amending this HF 2469

to CONFORM to SF 2362)

1 government body. Each party to the arbitration shall
2 bear its own expenses, including attorney fees, and
3 the parties shall share equally the filing and other
4 administrative fees of the American arbitration
5 association and the expenses of the arbitrators.

6 Sec. 5. Section 99D.10, Code 2014, is amended to
7 read as follows:

8 **99D.10 Bond of licensee.**

9 A licensee licensed under section 99D.9, including a
10 licensee issued a license subject to the requirements
11 of section 99D.9C, shall post a bond to the state of
12 Iowa before the license is issued in a sum as the
13 commission shall fix, with sureties to be approved by
14 the commission. The bond shall be used to guarantee
15 that the licensee faithfully makes the payments, keeps
16 its books and records and makes reports, and conducts
17 its racing in conformity with sections 99D.6 through
18 99D.23 and the rules adopted by the commission. The
19 bond shall not be canceled by a surety on less than
20 thirty days' notice in writing to the commission. If
21 a bond is canceled and the licensee fails to file a
22 new bond with the commission in the required amount
23 on or before the effective date of cancellation,
24 the licensee's license shall be revoked. The total
25 and aggregate liability of the surety on the bond is
26 limited to the amount specified in the bond.

27 Sec. 6. Section 99D.11, subsection 6, paragraph b,
28 Code 2014, is amended to read as follows:

29 b. (1) The commission may authorize the licensee
30 to simultaneously telecast within the racetrack
31 enclosure or at the facility of a licensee authorized
32 to operate an excursion gambling boat or gambling
33 structure under chapter 99F, for the purpose of
34 pari-mutuel wagering, a horse or dog race licensed
35 by the racing authority of another state. It is the
36 responsibility of each licensee to obtain the consent
37 of appropriate racing officials in other states as
38 required by the federal Interstate Horseracing Act of
39 1978, 15 U.S.C. § 3001 - 3007, to televise races for
40 the purpose of conducting pari-mutuel wagering.

41 (2) A licensee may also obtain the permission
42 of a person licensed by the commission to conduct
43 horse or dog races in this state to televise races
44 conducted by that person for the purpose of conducting
45 pari-mutuel racing wagering. However, arrangements
46 made by a licensee to televise any race for the purpose
47 of conducting pari-mutuel wagering are subject to
48 the approval of the commission, and the commission
49 shall select the races to be televised. The races
50 selected by the commission shall be the same for all

HF2469.4290 (1) 85

(amending this HF 2469

to CONFORM to SF 2362)

1 licensees approved by the commission to televise races
2 for the purpose of conducting pari-mutuel wagering.
3 ~~The Except for a licensee that is not obligated to~~
4 schedule performances of live races pursuant to section
5 99D.9A, or a licensee issued a license subject to the
6 requirements of section 99D.9C, the commission shall
7 not authorize the simultaneous telecast or televising
8 of and a licensee shall not simultaneously telecast
9 or televise any horse or dog race for the purpose of
10 conducting pari-mutuel wagering unless the simultaneous
11 telecast or televising is done at the racetrack of a
12 licensee that schedules no less than sixty performances
13 of nine live races each day of the season.

14 (3) For purposes of the taxes imposed under this
15 chapter, races televised by a licensee for purposes
16 of pari-mutuel wagering shall be treated as if the
17 races were held at ~~the racetrack of~~ by the licensee.
18 Notwithstanding any contrary provision in this chapter,
19 the commission may allow a licensee to adopt the same
20 deductions as those of the pari-mutuel racetrack from
21 which the races are being simultaneously telecast.

22 Sec. 7. Section 99D.20, Code 2014, is amended to
23 read as follows:

24 **99D.20 Audit of licensee operations.**

25 Within ninety days after the end of each calendar
26 year, the licensee, including a licensee issued
27 a license subject to the requirements of section
28 99D.9C, shall transmit to the commission an audit
29 of the financial transactions and condition of the
30 licensee's operations conducted under this chapter.
31 Additionally, within ninety days after the end of the
32 licensee's fiscal year, the licensee shall transmit to
33 the commission an audit of the licensee's total racing
34 and gaming operations, including an itemization of all
35 expenses and subsidies. All audits shall be conducted
36 by certified public accountants authorized to practice
37 in the state of Iowa under chapter 542 who are selected
38 by the board of supervisors of the county in which the
39 licensee operates.

40 Sec. 8. Section 99F.1, subsection 21, Code 2014, is
41 amended to read as follows:

42 21. "*Racetrack enclosure*" means all real property
43 utilized for the conduct of a race meeting, including
44 the racetrack, grandstand, concession stands, offices,
45 barns, kennels and barn areas, employee housing
46 facilities, parking lots, and any additional areas
47 designated by the commission. "*Racetrack enclosure*"
48 also means all real property utilized by a licensee
49 under chapter 99D who is not required to conduct
50 live racing pursuant to the requirements of section

HF2469.4290 (1) 85

(amending this HF 2469

to CONFORM to SF 2362)

1 99D.9A, on which pari-mutuel wagering on simultaneously
2 telecast horse or dog races may be conducted and lawful
3 gambling is authorized and licensed as provided in this
4 chapter.

5 Sec. 9. Section 99F.4A, subsections 1, 2, 3, and 5,
6 Code 2014, are amended to read as follows:

7 1. Upon application, the commission shall license
8 the licensee of a pari-mutuel dog or horse racetrack
9 to ~~operate~~ conduct gambling games at a pari-mutuel
10 racetrack enclosure subject to the provisions of this
11 chapter and rules adopted pursuant to this chapter
12 relating to gambling except as otherwise provided in
13 this section.

14 2. A license to ~~operate~~ conduct gambling games
15 shall be issued only to a licensee holding a valid
16 license to conduct pari-mutuel dog or horse racing
17 pursuant to chapter 99D on January 1, 1994.

18 3. A person holding a valid license pursuant to
19 chapter 99D to conduct pari-mutuel wagering at a dog or
20 horse racetrack is exempt from further investigation
21 and examination for licensing to ~~operate a~~ conduct
22 gambling game games pursuant to this chapter. However,
23 the commission may order future investigations or
24 examinations as the commission finds appropriate.

25 5. In lieu of the annual license fee specified in
26 section 99F.5, the annual license fee for ~~operating~~
27 conducting gambling games at a pari-mutuel racetrack
28 shall be one thousand dollars.

29 Sec. 10. Section 99F.4A, Code 2014, is amended by
30 adding the following new subsection:

31 NEW SUBSECTION. 9. a. Upon application, the
32 commission shall issue a license to the licensee of the
33 pari-mutuel dog racetrack located in Dubuque county as
34 of the effective date of this provision of this Act to
35 conduct gambling games at a gambling structure subject
36 to the provisions of this chapter and rules adopted
37 pursuant to this chapter relating to gambling. The
38 licensee shall not be required to pay any additional
39 fees or be assessed any additional costs for issuance
40 of the license pursuant to this subsection and shall
41 be exempt, for purposes of the initial issuance
42 of a license under this subsection, from further
43 investigation and examination for a license to conduct
44 gambling games pursuant to this chapter.

45 b. To maintain a license pursuant to this
46 subsection on or after July 1, 2014, the licensee
47 shall provide written notification to the commission
48 by September 1, 2014, as provided in section 99D.9A,
49 subsection 1, pay the live racing cessation fee as
50 provided in section 99D.9A, and otherwise comply with

HF2469.4290 (1) 85

(amending this HF 2469
to CONFORM to SF 2362)

1 the requirements of section 99D.9A applicable to the
2 licensee. In addition, the licensee shall pay the
3 annual license fee as specified in section 99F.5 and
4 regulatory fee as a licensee of a gambling structure
5 and shall otherwise be required to comply with all
6 requirements of this chapter applicable to a gambling
7 games licensee not otherwise inconsistent with the
8 requirements of this subsection.

9 Sec. 11. Section 99F.6, subsection 4, paragraph b,
10 Code 2014, is amended to read as follows:

11 b. (1) The commission shall authorize the
12 licensees licensee of the pari-mutuel dog racetracks
13 racetrack located in Dubuque county and Black Hawk
14 county to conduct gambling games as provided in section
15 99F.4A if the licensees schedule licensee schedules
16 at least one hundred thirty performances of twelve
17 live races each day during a season of twenty-five
18 weeks. For the pari-mutuel dog racetrack located in
19 Pottawattamie county, the commission shall authorize
20 the licensee to conduct gambling games as provided in
21 section 99F.4A if the licensee schedules at least two
22 hundred ninety performances of twelve live races each
23 day during a season of fifty weeks. The However, the
24 requirement to schedule performances of live races
25 for purposes of conducting gambling games under this
26 chapter shall not apply to a licensee as of the live
27 racing cessation date of the licensee as provided in
28 section 99D.9A.

29 (2) If a pari-mutuel dog racetrack authorized
30 to conduct gambling games as of January 1, 2014, is
31 required to schedule performances of live races for
32 purposes of conducting gambling games under this
33 chapter during any calendar year, the
34 commission shall approve an annual contract to be
35 negotiated between the annual recipient of the dog
36 racing promotion fund and each dog racetrack licensee
37 to specify the percentage or amount of gambling game
38 proceeds which shall be dedicated to supplement the
39 purses of live dog races. The parties shall agree
40 to a negotiation timetable to insure no interruption
41 of business activity. If the parties fail to agree,
42 the commission shall impose a timetable. If the
43 two parties cannot reach agreement, each party shall
44 select a representative and the two representatives
45 shall select a third person to assist in negotiating
46 an agreement. The two representatives may select the
47 commission or one of its members to serve as the third
48 party. Alternately, each party shall submit the name
49 of the proposed third person to the commission who
50 shall then select one of the two persons to serve as

HF2469.4290 (1) 85

(amending this HF 2469

to CONFORM to SF 2362)

1 the third party. All parties to the negotiations,
2 including the commission, shall consider that the dog
3 racetracks were built to facilitate the development and
4 promotion of Iowa greyhound racing dogs in this state
5 and shall negotiate and decide accordingly.

6 Sec. 12. TRANSITION PROVISIONS — PURSE
7 SUPPLEMENTS. The annual contract under section 99F.6,
8 subsection 4, paragraph "b", specifying the percentage
9 or amount of gambling game proceeds which shall be
10 dedicated to supplement the purses of live dog races
11 conducted during the calendar year beginning January
12 1, 2014, at the pari-mutuel dog racetrack located in
13 Pottawattamie county shall be extended to apply to live
14 dog races conducted at the dog racetrack located in
15 Pottawattamie county during the calendar year beginning
16 January 1, 2015.

17 Sec. 13. EFFECTIVE UPON ENACTMENT. The following
18 provision or provisions of this Act, being deemed of
19 immediate importance, take effect upon enactment:

20 1. The section of this Act enacting section 99F.4A,
21 subsection 9.>

22 2. Title page, by striking lines 1 through 3 and
23 inserting <An Act relating to pari-mutuel racetracks,
24 including by providing for live dog racing at
25 pari-mutuel dog racetracks, providing for alternative
26 licensure for dog racetracks, and establishing fees,
27 and including effective date provisions.>

28 3. By renumbering as necessary.

VANDER LINDEN of Mahaska